



SPECIAL BOARD MEETING

February 15, 2020



LAKE ALMANOR
COUNTRY CLUB
BOARD OF DIRECTORS SPECIAL MEETING
February 15, 2020 – 8:30 AM – CLUBHOUSE

<u>PUBLIC AGENDA</u>	<u>PAGE</u>
1. Call to Order – (8:30 am)	
a. President’s Report (establish quorum)	
2. Member Comments	
3. New Business	
a. Approved New Election Rules	1-18
b. Appointment of Special Inspector of Elections	19
4. Adjourn	

NOTES

LACC BOARD OF DIRECTORS MEETING OF:

SUGGESTIONS-COMMENTS-ISSUES

If you wish a call, please fill in your name and telephone number and we will call you. It is a goal of this Board of Directors to improve communications.

NAME (Optional)

TELEPHONE NO (Optional)

MEMORANDUM

To: Board of Directors

From: Scott G. Devereaux, General Manager

Subject: New Election Rules

Date: February 7, 2020

As we discussed at the January Board meeting, the association needs to adopt new election rules to be in compliance with state laws that took effect January 1, 2020. Our attorney drafted a set of rules for us which you have previously received.

As this is a rule change (Member Handbook), we are required by state law to send an advanced notice out to the membership for their input. That notice was published on the NABR Network and posted on bulletin boards on January 14, 2020. Other than a couple of questions about why this was being done, we have received no feedback from members.

Attached, please find the following:

- Draft of the new election rules
- January 7 memo from me to the Board that was part of the January 18, 2020 board meeting discussion
- Copy of the email from NABR announcing the proposed rule change
- Article of January 21 posted on NABR outlining why and what rules were being changed
- Election Timeline Draft – This identifies key dates for things that need to be done. We missed the January Board meeting to appoint the Inspector of Elections but will do that at the February meeting. Please also note that ballots will be counted the day before the annual meeting.

Possible Motion – I move to approve the Lake Almanor Country Club Election Rules as outlined in a draft dated 12-18-19.

Lake Almanor Country Club

TO: Members of the Association
FROM: Board of Directors
RE: Notice of Proposed Rules—Election Rules
DATE: JANUARY 15, 2020

The purpose of this written notice is to inform you that the Board of Directors is considering the adoption of election rules. This notice is being given to all members in accordance with Civil Code Section 4340 et seq.

1. **Text of the Proposed Rule:** A copy of the proposed Election Rules is attached.
2. **Purpose and Effect of the Proposed Rule Change:** The purpose of the proposed Election Rules is for the Association to comply with Senate Bill 323 and Civil Code Section 5100 et seq., which requires associations to affirmatively adopt election rules complying with new laws effective January 1, 2020. The effects of the proposed Election Rules include: (a) a new system for appointing inspectors of election, (b) new mandatory and permissive candidacy requirements and (c) new rules concerning members' rights to vote.
3. **Notice of Meeting of the Board of Directors to Consider Adoption of the Proposed Rule Change:** The Board of Directors will hold a meeting to consider the adoption of the proposed Election Rules as indicated below. The Board of Directors intends to make its decision at this meeting following consideration of any member comments.

Date: FEBRUARY 15, 2020

Time: 8:30 AM

Place: LACC CLUBHOUSE

ELECTION RULES
LAKE ALMANOR COUNTRY CLUB

If this document contains any restriction based on race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, familial status, marital status, disability, veteran or military status, genetic information, national origin, source of income as defined in subdivision (p) of Section 12955, or ancestry, that restriction violates state and federal fair housing laws and is void, and may be removed pursuant to Section 12956.2 of the Government Code. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.

**TABLE OF CONTENTS
TO
ELECTION RULES
LAKE ALMANOR COUNTRY CLUB**

		Page Number
ARTICLE 1	INSPECTOR OF ELECTIONS	1
1.1	Appointment and Term.	1
1.2	Qualifications.	1
1.3	Powers.	1
1.4	Duties.	2
ARTICLE 2	DIRECTOR QUALIFICATIONS	2
2.1	Candidate Qualifications.	2
ARTICLE 3	NOMINATION PROCEDURES	3
3.1	Self-Nomination.	3
3.2	Candidate Not Qualified to Serve.	4
3.3	Holding Office.	4
3.4	Notice and Procedure for Nominations.	4
ARTICLE 4	MEDIA ACCESS	4
4.1	Equal Access.	4
4.2	Publication by Association.	4
ARTICLE 5	COMMON AREA MEETING SPACE	4
5.1	Terms of Use.	4
5.2	Election Forum.	4
5.3	Candidate Responsibility for Use of Common Area.	4
ARTICLE 6	ASSOCIATION FUNDS	4
6.1	Funds Used to Conduct Election.	4
6.2	Funds Not Used to Campaign.	5
ARTICLE 7	VOTING QUALIFICATIONS	5
7.1	One Vote Per Residence.	5
7.2	Joint Ownership.	5
7.3	Cumulative Voting.	5
ARTICLE 8	METHODS OF VOTING; PROXIES	5
8.1	Proxies.	5
ARTICLE 9	VOTING PERIOD	5
9.1	Beginning of Voting Period.	5
9.2	Extend Voting Period.	5
9.3	Director Election at Least Once Every Four Years.	5
ARTICLE 10	SECRET BALLOT AND VOTING PROCEDURE	5
10.1	Access to a Ballot.	5
10.2	Notices Prior to Holding an Election.	6
10.3	Secret Ballots.	6
10.4	Vote Tabulation.	7
ARTICLE 11	VOTING RESULTS, STORAGE, AND RETENTION	7
11.1	Election Results.	7
11.2	Custody, Storage, and Retention of Secret Ballots from Elections.	7

**LAKE ALMANOR COUNTRY CLUB
ELECTION RULES**

The Board of Directors adopted these rules in accordance with Civil Code Section 4340 *et seq.* Notwithstanding any other law or provision of the Association's governing documents, these rules shall apply to all matters set forth in Civil Code Sections 5100–5125 as they may be amended from time to time. Unless context indicates otherwise, capitalized terms used herein shall have the same meaning as in the governing documents. These Election Rules ("Rules") shall not be amended less than ninety (90) days prior to an election. The term "Residence" refers to the separate interest owned by a member(s).

ARTICLE 1 INSPECTOR OF ELECTIONS

1.1 Appointment and Term.

1.1.1 Appointment. The Board of Directors (the "Board") shall appoint one (1) or three (3) persons to serve as the Inspector of Elections (the "Inspector"), who shall serve at the discretion of the Board, and who shall have such powers and duties as the Board determines, subject to provisions in these Rules.

1.1.2 Term. The Inspector shall serve in their capacity until they resign, are discharged by the Board, or until they submit their completed written report to the Board as required by Section 1.4.2.9 of these Rules.

1.2 Qualifications. The Inspector shall be an independent third-party who is not any of the following:

1.2.1 Currently a Director on or a candidate for the Board;

1.2.2 Related to a Director on or to a candidate for the Board; and

1.2.3 A person, business entity, or subdivision of a business entity that is currently employed or under contract with the Association for any compensable services other than serving as Inspector. This provision cannot be waived under Civil Code Section 5110(b).

1.3 Powers.

1.3.1 The Inspector shall preside over member elections or votes on any of the matters set forth in Civil Code Section 5100, which provides that elections regarding assessments legally requiring a vote, election and removal of directors, amendments to governing documents, or the grant of exclusive use of common area pursuant to Civil Code Section 4600 shall be held by secret ballot in accordance with the procedures set forth herein.

1.3.2 If authorized by the Board, the Inspector may meet and discuss election issues with the Association's legal counsel or amongst themselves if there are three (3) Inspectors.

1.3.3 If there are three (3) Inspectors, the decision or act of two (2) or more of the Inspectors shall be effective in all respects as the decision or act of the Inspector.

1.3.4 The Inspector may appoint and oversee additional persons to count and tabulate votes as the Inspector deems appropriate.

1.4 Duties.

1.4.1 The Inspector shall perform their duties impartially, in good faith, to the best of their ability, and as expeditiously as is practical, and in a manner that protects the interest of all Members of the Association.

1.4.2 The Inspector shall do the following:

1.4.2.1 Determine the number of memberships entitled to vote and the voting power of each;

1.4.2.2 Receive ballots;

1.4.2.3 Hear and determine all challenges and questions in any way arising out of or in connection with the right to vote;

1.4.2.4 Count and tabulate all votes;

1.4.2.5 Determine when polls close, consistent with the governing documents;

1.4.2.6 Determine the results of the election;

1.4.2.7 Perform any acts as may be proper to conduct the election with fairness to all Members in accordance with this Section and all applicable rules of the Association regarding the conduct of the election that are not in conflict with this Section; and

1.4.2.8 Prepare a written report of the activities undertaken in any election.

1.4.3 The management company may assist the Inspector in performing all duties of the Inspector listed above in Section 1.4.2, except the physical counting and tabulation of votes and determining the results of the election. The Inspector retains the obligation to perform all responsibilities in Section 1.4.2.

1.4.4 It is the intent of the Association that if a member of the Association serves as a volunteer Inspector, such volunteer shall be considered a volunteer committee member or a volunteer officer of the Association for purposes of directors and officers insurance and rights of indemnity arising out of the Inspector's conduct in their role as Inspector under Civil Code Section 5800.

ARTICLE 2 DIRECTOR QUALIFICATIONS

2.1 Candidate Qualifications. All candidates for election to the Board shall meet the following qualifications for Directors.

2.1.1 Members. A candidate shall be a Member of the Association at the time of nomination. If title is held by a legal entity that is not a natural person, the governing authority of that legal entity shall have the power to appoint a natural person in writing to be a Member for purposes of this subsection. The Association shall bear no liability for the veracity of such appointment.

2.1.2 Current in Assessments. Only Members who are current in the payment of regular or special assessments shall be eligible to be elected to and serve on the Board. This provision applies throughout every Director's term of office.

2.1.2.1 The Association may not disqualify a candidate for nonpayment of fines, fines renamed as assessments, collection charges, late charges, or costs levied by a third party.

2.1.2.2 The Association may also not disqualify a candidate for failure to be current in payment of regular and special assessments if either of the following is true:

2.1.2.2.1 The candidate has paid the regular or special assessment under protest pursuant to Civil Code Section 5658.

2.1.2.2.2 The candidate has entered into a payment plan pursuant to Civil Code Section 5665.

2.1.3 One Owner per Residence. Only one (1) Owner of a particular Residence ("Residence") shall serve on the Board at any time.

2.1.4 Prevention of Fidelity Bond Coverage. A Member shall neither be qualified as a candidate nor continue to serve as a Director if that candidate or Director has a past criminal conviction which would prevent the Association from purchasing fidelity bond coverage as required by Civil Code Section 5806 or would terminate the Association's existing fidelity bond coverage.

2.1.5 Engaging in Internal Dispute Resolution. The Association shall not disqualify a Member from nomination who is delinquent in payment of their regular or special assessments if the Member has neither requested nor been asked and provided the opportunity to engage in internal dispute resolution with the Association. This provision shall not apply, however, if the Association has previously offered the Member the opportunity to engage in the Association's internal dispute resolution process regarding the delinquency.

ARTICLE 3 NOMINATION PROCEDURES

3.1 Self-Nomination. Members may self-nominate as candidates for election to the Board by giving written notice of such nomination to the Association, or its designated agent, on or before a date determined by the Board, which shall be no less than thirty (30) days after nominations are being accepted. The Board may, but is not obligated to, appoint a nominating committee.

3.2 Candidate Not Qualified to Serve. If a candidate is not qualified to hold an elected position, their name shall not appear on the secret ballot and they will not be permitted to serve if elected.

3.3 Holding Office. Each Director, unless removed by a vote of the Members, shall hold office until the expiration of the term for which they have been elected or appointed and until their successor has been properly elected and qualified.

3.4 Notice and Procedure for Nominations. The Association shall provide general notice of the procedure and deadline for submitting a nomination at least thirty (30) days before any deadline for submitting a nomination. Individual notice shall be delivered pursuant to Civil Code Section 4040 if requested by a Member.

ARTICLE 4 MEDIA ACCESS

4.1 Equal Access. If the Association provides media access during a campaign, equal access shall be provided to all candidates and Members advocating a point of view for purposes that are reasonably related to the election.

4.2 Publication by Association. If any publicity is provided by the Association, the Association will not censor, edit, or redact the communication but shall include a statement specifying that the message is that of the Member's and the Association is not responsible for its content. The Association shall publish the following statement:

"The views expressed are those of its author and do not reflect the views of the Association, its directors, managers, employees, or agents. The author is solely responsible for its content. The Association is required by law to publish the communication as written regardless of the content."

ARTICLE 5 COMMON AREA MEETING SPACE

5.1 Terms of Use. Common area meeting space, if any exists, shall be provided at no cost to all candidates and Members advocating a point of view for purposes reasonably related to the election or vote, subject to Association regulations and rules assuring orderly and fair use of such meeting space.

5.2 Election Forum. The Board may schedule a community election forum prior to an election of the Board or a vote subject to these Rules whereby candidates and Members advocating a point of view which is the subject matter of the pending election or vote may attend and speak to Members choosing to attend. A community election forum shall be conducted in accordance with the governing documents and any rules adopted by the Board.

5.3 Candidate Responsibility for Use of Common Area. Any Member desiring to use common area meeting space, if any, for such a purpose shall be responsible for leaving the premises in the condition it was found.

ARTICLE 6 ASSOCIATION FUNDS

6.1 Funds Used to Conduct Election. Association funds shall be used for conducting an election.

6.2 Funds Not Used to Campaign. Association funds shall not be used for purposes of campaigning in an election in violation of Civil Code Section 5135.

ARTICLE 7 VOTING QUALIFICATIONS

7.1 One Vote Per Residence. Members shall be entitled to one (1) vote for each Residence they own. Votes may be cast by a person who provides documentation showing they hold general power of attorney for a Member. The Association shall bear no liability for the veracity of the general power of attorney provided.

7.2 Joint Ownership. In the event more than one (1) person owns a given Residence, the vote for such Residence shall be exercised as the Owners among themselves shall determine, but in no event shall more than one (1) vote be cast with respect to any Residence. If the joint Owners of a Residence are unable to agree among themselves as to how their vote is to be cast, such vote shall be cast in accordance with the decision of a majority of such Owners. If there is no such majority, the vote for the Residence shall not be cast either in favor of or opposed to the issue or issues which are the subject of the vote, but the membership shall be counted for purposes of determining whether the quorum requirements applicable to the vote or meeting have been met. If any Owner casts a vote representing a certain Residence and no written objection thereto is received by the Secretary prior to the close of voting, it will be conclusively presumed for all purposes that such Owner was acting with the authority and consent of the other Owners of that Residence.

7.3 Cumulative Voting. Cumulative Voting is not permitted.

ARTICLE 8 METHODS OF VOTING; PROXIES

8.1 Proxies. Proxies may be used as provided for in the Bylaws and under California law.

ARTICLE 9 VOTING PERIOD

9.1 Beginning of Voting Period. The voting period shall begin and close on the dates established by the Board or the Inspector. The close of the election shall be not less than thirty (30) days from the date the ballots are distributed to the members.

9.2 Extend Voting Period. Subject to Section 10.4.4 below, the Board or the Inspector shall have the discretion to extend the voting period if sufficient secret ballots have not been received.

9.3 Director Election at Least Once Every Four Years. The Association shall hold an election for a seat on the Board using the procedures in these Rules at the expiration of each Director's term of office and at least once every four (4) years.

ARTICLE 10 SECRET BALLOT AND VOTING PROCEDURE

10.1 Access to a Ballot.

10.1.1 The Association shall not deny a ballot to a Member for any reason other than not being a Member at the time when ballots are distributed.

10.1.2 The Association shall not deny a ballot to a person with general power of attorney for a Member.

10.1.3 The ballot of a person with general power of attorney for a Member shall be counted if returned in a timely manner.

10.2 Notices Prior to Holding an Election. In addition to other notice deadlines contained in these Rules, the Association shall provide general notice of all of the following at least thirty (30) days before ballots are distributed:

10.2.1 The date and time by which, and the physical address where, ballots are to be returned by mail or handed to the Inspector.

10.2.2 The date, time, and location of the meeting at which ballots will be counted.

10.2.3 The list of all candidate names that will appear on the ballot.

10.2.4 Individual notice of the above paragraphs shall be delivered pursuant to Civil Code Section 4040 if notice is requested by a Member.

10.3 Secret Ballots. Voting on the matters addressed in Civil Code Sections 5100–5115 shall be determined by using a double envelope system to ensure the anonymity of the Member casting their vote.

10.3.1 At least thirty (30) days before an election, the Inspector of Election shall deliver, or cause to be delivered, to each Member both of the following documents:

10.3.1.1 The secret ballot or ballots and two (2) pre-addressed envelopes, a smaller (inner) envelope and a larger (outer) envelope, along with instructions on how to return the secret ballot;

10.3.1.2 A copy of these Rules. Delivery of these Rules may be accomplished by either of the following methods:

10.3.1.2.1 Posting these Rules to an internet website and including the corresponding internet website address on the ballot together with the phrase, in at least twelve (12)-point font: "The rules governing this election may be found here:"

10.3.1.2.2 Individual delivery.

10.3.2 A voter may not be identified on the secret ballot by name, address, or the Residence that entitles the Member to vote on the secret ballot.

10.3.3 The secret ballot itself is not to be signed by the Member voting but is to be inserted into the smaller (inner) envelope that is sealed by the Member. This envelope is inserted into the larger (outer) envelope that is sealed by the Member.

10.3.4 The larger (outer) envelope is addressed to the Inspector. In the upper left-hand corner of the larger (outer) envelope, the voter prints and signs their name, address, and Residence that entitles them to vote.

10.3.5 The secret ballot may be mailed or hand delivered to a location specified by the Inspector. The Member may request a receipt for delivery.

10.3.6 Once a secret ballot is cast it cannot be revoked or changed. A secret ballot is "cast" when the Inspector receives it.

10.3.7 In an election to approve an amendment of the governing documents, the text of the proposed amendment shall be delivered to the Members with the ballot.

10.4 Vote Tabulation.

10.4.1 The secret ballots shall not be opened or otherwise reviewed prior to the time and place at which the ballots are counted and tabulated. In no event, shall any secret ballots be opened if insufficient secret ballots were returned to meet the quorum requirement.

10.4.2 The envelopes shall be opened and the secret ballots shall be counted and tabulated at either a properly noticed Board meeting or a Member meeting. Any candidate or other Member of the Association may witness the counting and tabulation of the secret ballots.

10.4.3 Only the Inspector, or persons designated by the Inspector, shall open the envelopes and count and tabulate the secret ballots.

10.4.4 If the Inspector determines that the Members returned an insufficient number of secret ballots to meet quorum or otherwise, the Board or the Inspector may extend the voting period.

ARTICLE 11 VOTING RESULTS, STORAGE, AND RETENTION

11.1 Election Results.

11.1.1 The Inspector shall promptly report the results of the election to the Board who shall record the results of the election in the minutes of the next Board meeting and shall be available for review by the Members of the Association.

11.1.2 Within fifteen (15) days of the election, the Board shall publicize the results of the election in a communication directed to the Members.

11.2 Custody, Storage, and Retention of Secret Ballots from Elections.

11.2.1 Custody.

11.2.1.1 The sealed ballots; signed voter envelopes; voter list of names, parcel numbers, and voters to whom ballots were sent and the candidate registration list shall, at all times, be in the custody of the Inspector or at a location designated by the Inspector until after the tabulation of the vote; and then for one (1) year, at

which time custody shall be transferred to the Association. One (1) year after the Member vote concluded, the Association must retain, as Association records, these documents for the remainder of the current fiscal year in which it receives the documents from the Inspector and for the following two (2) fiscal years.

11.2.1.2 In the event of a recount or other challenge to the election process, the Inspector shall, upon written request, make the secret ballots available for inspection and review by Members or their authorized representatives, if the request is timely. Any recount shall be conducted in a manner that preserves the confidentiality of the vote.

11.2.1.3 Signed voter envelopes may be inspected but shall not be copied by any Member inspecting Association records.

11.2.2 Storage and Retention.

11.2.2.1 Materials that shall be retained as election materials include:

11.2.2.1.1 Candidate Registration List.

11.2.2.1.2 Voter List. This list shall include the name, voting power, and either the physical address of the voter's separate interest, the parcel number, or both. The mailing address for the ballot shall be listed on the voter list if it differs from the physical address of the voter's separate interest or if only the parcel number is used.

11.2.2.2 Inspection of Lists. The Association shall permit Members to verify the accuracy of their individual information on both lists at least thirty (30) days before the ballots are distributed. The Association or Member shall report any errors or omissions to either list to the Inspector, who shall make the corrections within two (2) business days.

CERTIFICATE OF ADOPTION

I hereby certify that I am the Secretary of the Association and that the foregoing Election Rules are a true copy of the Election Rules approved by the Board at its meeting held on _____, 2020, at which a quorum of the Directors was present. I further certify that the foregoing Election Rules are in full force and effect; that the same have not been rescinded, nor has it been amended or modified.

Dated: _____, 2020

By: _____,
_____, Secretary

Sample Email from Lake Almanor Country Club to Members re Member List and Emails:

RE: IMPORTANT NOTICE REGARDING THE DISCLOSURE OF YOUR EMAIL TO OTHER MEMBERS

Dear Member,

This email is being sent to the email address you provided the Lake Almanor Country Club (the "Association") as a way to communicate with you regarding important information about the community. If you wish to change your email address for purposes of the membership list please forward your new email to the Association for Association communications.

PLEASE BE AWARE effective January 1, 2020, as a matter of law your email address is added to the Association's "membership list." ALL MEMBERS HAVE A RIGHT TO OBTAIN YOUR EMAIL ADDRESS UNLESS YOU TAKE AFFIRMATIVE ACTION TO "OPT-OUT" OF THIS SHARING.

If you "Opt-Out" of having your name, address, and/or email removed from membership list, the Association will still be able to contact you by email as it has been doing so in the past.

PLEASE ADVISE US OF THE FOLLOWING before _____ so we can change our records:

I WISH TO "OPT-OUT" OF THE SHARING OF MY FOLLOWING INFORMATION WITH OTHER MEMBERS:

1. Name: _____
2. Property Address: _____
3. Secondary Mailing Address*: _____
4. Email Address: _____

If you do not affirmatively "Opt-Out," please be aware that your Name, Property Address, Secondary Mailing Address, and Email Address will be shared with other members upon proper request to the Association.

Please let me know if you have any questions.

Scott Devereaux, Manager

* if different than Property Address
{7126.65/00543541.1}

MEMORANDUM

To: Board of Directors

From: Scott G. Devereaux, General Manager

Subject: Election Rules

Date: January 7, 2020

As I have previously written to Directors, the state adopted new election rules for communities such as ours last year. These rules went into effect January 1, 2020 and will govern our elections going forward.

Our law firm, Baydaline, Jacobsen has drafted new rules for your consideration which comply with these new laws. There are a lot of back-office administration required which is mostly involving new notifications that we will have to give to the membership. The election process will now take a minimum of four months from start to finish. We also have to retain all of the ballots and signed envelopes for a longer period of time. Some of the other interesting aspects of the new law are:

- Members who wish to run for election have to be on the property deed or have a power of attorney from the person on the deed.
- Members who are delinquent in their annual dues are disqualified. If the member owes collection costs and/or fines, they are not disqualified.
- All members are now allowed to vote and can't be disqualified for any reason.
- While it is still unclear, it appears that term limits are no longer valid. For us, this means a member who has just completed a full term of office can immediately run for re-election.
- The membership roster that we must maintain must now include the name of the property owner, property address, mailing address (if different from the property address) and email address. There is a process whereby members can opt-out of having their email addresses posted. We will put together a mailing to the membership which explains how they can go about opting-out.

Our attorney has indicated that there is already talk of corrective legislation that may be introduced this year. For now, however, we have to comply with what is on the books.

As this is a rule change, we need to notice the membership and give them a minimum of 28 days to provide feedback. I will send this notice out early next week and have scheduled a special Board meeting for Saturday, February 15. Those of you who are not in town can participate via conference call. Right now, this is the only agenda topic so it should be a short meeting. This is also on the agenda for January 18 should you have any questions that need to be discussed.

Scott Devereaux

From: Lake Almanor Country Club <LACC@nabrnetwork.com>
Sent: Tuesday, January 14, 2020 5:31 PM
To: Scott Devereaux
Subject: Notice of Proposed Election Rule Changes



Lake Almanor Country Club

Association News

Posted by Community Manager (Communications Administrator) on Jan 14, 2020 5:30 pm

Notice of Proposed Election Rule Changes

[READ THE POST](#)

If you do not wish to receive these notifications, please [update your notification preferences](#).

Election Rules – Why are they being changed?
January 21, 2020

Recently, the association posted a notice that the Board of Directors would be entertaining new rules governing how our elections are conducted. Several members have questioned why the rules are changing and what parts are being changed. Here is a brief explanation.

In 2018 & 2019, the state legislature passed new bills governing how association elections were to be conducted. While these bills were vetoed by the Governor in 2018, the new Governor signed them into law in 2019. These new rules took affect January 1, 2020 and now govern our elections moving forward.

There are a number of parts to the new law which are covered under SB (Senate Bill) 323. Here are some of the highlights.

- Elections must be supervised by one or three Inspector(s) of Elections. Such Inspector(s) shall be an independent third-party who is not a director or candidate, related to a director or candidate or a person, business entity or subdivision of a business entity that is employed or under contract with the association.
- Members who wish to run for the board must be property owners (actually on the deed to a LACC property) or be a natural person appointed by a corporation that holds title to a LACC property, or be a person appointed by a trust that holds title to a LACC property.
- Candidates must also not owe any regular or special assessment that is due.
- Candidates must also not have been convicted of a felony which would preclude the association from acquiring a fidelity bond or insurance as required by law.
- While it is still unclear, it looks like our requirement that a retiring board member, who has served a full three-year term, must wait a year before becoming a candidate again is probably null and void.
- Members allowed to vote in an election follow the same requirements to be on the property deed as explained above for candidates.
- Members may not be disqualified for voting due to delinquent assessments or fees.
- There are several new notices the association must issue in advance of elections and timeframes for nominations to be open.
- Custody and control of signature envelopes and ballots must be retained for a longer period of time.
- The membership roster that must be compiled in conjunction with an election must now include: the name of the property owner, local property address, mailing address of owner (if different from the property address) and member's email address.
- Members may instruct the association to opt-out of the sharing of their email address. (a separate mailing will be going to members next month with a form to complete if you wish to exercise this option).
- There are a number of other changes that are more administrative that you can read in either SB 323 or the draft Election Rules that we just published.

Please be aware that your Board of Directors or management did not instigate these proposed changes as some way to complicate future elections. As an association, operating under the laws of the State of California, we are, however, obligated to abide by these new rules. The draft that was posted and that the Board of Directors will approve at a February 15, 2020 special meeting of the Board, were drafted by our corporate attorney to be in compliance with these new state laws.

Any additional questions may be directed to our General Manager, Scott Devereaux at gm@lacchoa.com or 530-596-3282.

Election Timeline
Draft
January 21, 2020

- November Board Meeting – Board Appoints Nominating Committee Chair
- January Board Meeting – Board Appoints Inspector of Elections
- February - Newsletter, Email Announcements & Posting on Community Bulletin Boards – Notice and Procedure for Nominations (see sample)
- March Board Meeting – Board establishes record date for voting
- April 10 – Candidates last day to declare intent to run for Board
- April Board Meeting – List of candidates given to Board of Directors
- April 24 – General Election Notice (via email announcement and bulletin board postings). Date, time and location for ballots to be returned. Date, time, location of open meeting where ballots will be counted. List of candidates.
- May 8 – Record date to vote in the election
- June 1 – Ballots mailed
- July 2 (5 pm) – Deadline for ballots to be received
- July 3 (1 pm) – Open meeting where Election Committee (under the direction of the Inspector of Elections) to open ballot envelopes and count ballots
- July 4 (9:30 am) – Annual Membership Meeting – Election results announced (if process completed)

MEMORANDUM

To: Board of Directors

From: Scott G. Devereaux, General Manager

Subject: Inspector of Elections Appointment

Date: February 7, 2020

Based on the new state laws, we are now required to appoint an Inspector of Elections to oversee any and all elections conducted by the association. The specific duties of the Inspector of Elections are outlined in the draft election rules that Directors will be approving at the February meeting.

In 2019, LACC member, Charlene Ferguson was appointed as chair of the Elections Committee. As such, she was in charge of the elections and voting for that year. Staff found Charlene to be very organized and easy to work with. She also assisted us in drafting new rules that cover ballot counting which the Board approved at the end of 2019. Charlene has agreed to take on the responsibilities of the Inspector of Elections and she and I have already gone over the new rules that are being put in place.

Possible Motion – I move to appoint Charlene Ferguson as Inspector of Elections for LACC for 2020.